BEFORE

## THE PUBLIC SERVICE COMMISSION OF

## SOUTH CAROLINA

DOCKET NO. 90-626-C - ORDER NO. 91-133

## FEBRUARY 7, 1991

IN RE: Application of Southern Bell Telephone ) ORDER and Telegraph Company to Avail Itself ) GRANTING of Incentive Regulation of its Interstate ) MOTION FOR Operations in South Carolina ) CONTINUANCE

This matter comes before the Public Service Commission of South Carolina (the Commission) by way of a Motion for Continuance and Alternative Motion to Dismiss filed February 1, 1991, by Steven W. Hamm, Consumer Advocate for the State of South Carolina (the Consumer Advocate) requesting the Commission to issue an Order granting a continuance, or alternatively dismissing Southern Bell Telephone and Telegraph Company's (Southern Bell's) Application in the above-referenced matter.

In support of its Motion for Continuance, the Consumer Advocate alleges that Order Nos. 90-849 and 90-1009, issued in Docket No. 90-266-C, which, inter alia, approved a generic framework for incentive regulation of the local exchange companies in South Carolina. These orders are currently under appeal by the Consumer Advocate in Civil Action No. 90-CP-40-5386, filed November 26, 1990, and by the South Carolina Cable Television Association (SCCTA) in Civil Action No. 90-CP-40-5196, filed November 13, 1990. The Consumer Advocate alleges that a final

resolution of these appeals is a necessary prerequisite to the approval of any company specific plan. Additionally, the Consumer Advocate alleges that the time period the Commission has allocated to this matter is inadequate for a thorough examination of the issues in this case. Without such an examination, the Consumer Advocate asserts that the Commission will not have adequate information to make an informed decision on the structure of an incentive regulation plan for Southern Bell that would adequately protect its ratepayers. Further, the Consumer Advocate alleges that Southern Bell's filing of an amended version of the prefiled testimony and exhibits of one of its witnesses gives the Consumer Advocate inadequate time to examine the ramifications of those changes before the Consumer Advocate was required to prefile its testimony in this matter.

In support of the Consumer Advocate's Alternative Motion to Dismiss the Application of Southern Bell, the Consumer Advocate alleges that to ensure that the procedural due process rights of all parties are protected, the Commission should dismiss the application and order the use of an updated test year, whereby the Company should file a rate application and all parties would have the ability to discover and develop a revenue requirement for the Company's South Carolina operations.

The Commission has considered the Motion to Continue the hearing, as well as the Alternative Motion to Dismiss the Application filed in this matter. The Commission is of the opinion that the fact that Order Nos. 90-849 and 90-1009 are

currently under appeal, would not prevent the Commission from going forward with this matter. However, the Consumer Advocate's contention that there is not enough time to prepare adequately for the proceeding in this matter causes the Commission to re-examine the allocated discovery period. The Commission has determined that there is inadequate time for the parties to properly prepare before the scheduled February 19, 1991 hearing date. Therefore, the Commission will continue the hearing. The hearing is rescheduled to commence March 18, 1991. So that all parties will be afforded time to adequately prepare their position, all discovery matters will be completed as if the hearing is still scheduled for February 19, 1991. According to R.103-851(B) of the Commission's Rules of Practice and Procedure, all written interrogatories should be served no later than 10 days before February 19, 1991.

As to the Consumer Advocate's Motion to Dismiss, the Commission finds no violation of any party's due process rights under the proceeding herein. Accordingly, the Motion to Dismiss is denied.

DOCKET NO. 90-626-C - ORDER NO. 91-33 FEBRUARY 7, 1991 PAGE 4

Therefore, the Consumer Advocate's Motion for Continuance is granted under the terms outlined above, and the Consumer Advocate's Motion to Dismiss is denied.

BY ORDER OF THE COMMISSION:

Chairmay.

ATTEST:

Executive Director

(SEAL)